

BOOK REVIEW

Le développement inégal: Essai sur les formations sociales du capitalisme périphérique by Samir Amin, Paris, Les Editions de Minuit, 1973, 365 pp.

In the 1960s, the Third World countries aimed for economic development in accordance with Raúl Prebisch's Center-Periphery Theory. The theory states that periphery countries, having specialized in monoculture production of primary commodities, cannot hope to develop their economy unless they industrialize since the terms of trade for primary commodities are on a continuous long-term slide into deterioration. The theory also holds that by implementing industrialization with international cooperation, the periphery countries could "catch up" with center countries. This doctrine still forms the basis of economics for UNCTAD. But within ten years after the theory was put into practice, there was talk of disappointment and failure. The massive flow of aid from developed to developing countries in the name of "international cooperation" did contribute to the growth of some developing countries, but aggravated the difficulties of others. After the "Decade of Frustration," the Third World countries began to reject imitation of and hence, dependence on advanced center countries, and moved towards economic independence. The theoretical aspect of this shift in economic development policy is backed up by new developments in the theory of self-reliance and Samir Amin is one of the principal theoreticians of that school.

Amin, under the pen name of Hassan Ryad, made an analysis of Egyptian state capitalism which attracted a great deal of attention. He was subsequently appointed director of African Institute of Economic Development and Planning, Dakar, in 1970, and has since then, successively published econometric studies on the Congo and North and West African countries such as Algeria, Senegal, etc. Recently he came up with a massive ambitious work, *L'accumulation à l'échelle mondiale, Critique de la théorie du sous-développement*. The book examines the role that the peripheral regions play in capital accumulation and development of developed regions—the author does this through analyzing the theory of international specialization and flow of capital, features of peripheral capitalism, the relationship between the international monetary system, the monetary mechanism, and the balance of payments of peripheral countries. On the basis of this detailed and elaborate analysis, Amin defines the economic system of non-Western regions as "peripheral capitalism" and categorizes the origins of underdevelopment to form a general theory. The book consists of five parts: Precapitalist Formations; Fundamental Laws of Capitalist Mode of Production; From Specialization to Dependence; Origin and Development of Underdevelopment; and Contemporary Peripheral Social Formations. Another essay of Amin's that would be important to consider here is one published around the same time dealing with the possibilities of development through system transformation: "Le modèle théorique d'accumulation et de développement dans le monde contem-

porain—Le problème de transition,” *Le Tiers-Monde*, October—December, 1972.

The author reformulates the Western-oriented concept of Marxian stages of development by synthesizing them with conditions in the non-Western regions. That is to say, the Marxian scheme of economic and social development—from primitive community (Asian) to ancient (slave system) to feudalistic to modern capitalist mode of production—is generally accepted in Marxist theory. However, these stages of development, which Marx initially considered universally applicable but later limited to Western Europe, are not suitable to analyze non-Western regions. To counter this scheme, the author presents the following.

Primitive communities that have rudimentary social stratification are generally speaking, based in village communities. These are transformed into communities with the tributary mode of production (*mode de production tributaire*) complete with socio-political devices for exploitation. This is defined in the Marxian scheme as the “Asian mode of production,” and it incorporates within itself the contradictions inherent in the survival of the community combined with the denial of the community by the state. The more advanced form of the tributary mode of production emerged in some regions (Europe, Japan) as the feudalistic mode of production. In comparison, the slave system of production is much rarer and appeared sporadically in limited areas of the world (Greece, Rome and later the Slavic regions). Furthermore, in parts of Europe and New England, simple small-scale production was established by free producers forming the basis for rapid development of a capitalist mode of production. Through trade with remote regions, this mode of production combined the mutually autonomous social systems with central regions and shaped a ubiquitously unified system of production. In the tributary regions universally dominant at the time, the feudalistic combined with capitalistic elements to develop the peripheral mode of production. Around the same time, in the Middle East, profits from trade with remote regions enabled establishment of the commercial mode of production. These modes of production characteristic of the periphery are what the author calls “peripheral capitalism.”

Consequently, periphery regions are regions that specialize in the export of raw materials to a world market according to a system of international specialization imposed by central capitalism. This causes the deterioration of terms of trade for these regions and allows an enormous surplus to be transferred to the central regions. But the worsening of trade terms cannot be attributed to the market mechanism alone as Prebisch claims. Amin points out that monopoly capital which appeared in the central regions in the nineteenth century played an important role in this connection. Secondly, this specialization made use of a pre-capitalist system appropriation in the peripheral countries. Specialized production took place without due payment for land maintenance, resulting in the organized destruction of land and impoverishment of the region as a whole.

This system of international specialization created dependent economies in the peripheral regions. These economies were characterized by a number of basic structural distortions leading to the emergence of a pattern of distorted economic development in the region. First, this region moved on the road to extroverted development (what Amin calls extroverted accumulation centered on the export of agricultural

products and mineral resources). Second, international specialization created a privileged class of landlords, merchants, and bureaucrats with direct links to the world market (i.e., foreign capital). The existence of this privileged class gave rise to a high propensity to import luxury consumer goods. Third, the industrialization that took place was limited to import-substituting light industries, and was not the kind that would necessarily integrate various sectors of the domestic economy. Fourth, this extroverted development that brought affluence to the privileged class caused impoverishment and marginalization of the masses—proletarianization of peasants and craftsmen of village communities that continued under the tributary and feudalistic modes of production—and gave rise to flow of unemployed masses to the cities. The tertiary sector swelled and the urban regions were plagued with unemployment and underemployment.

In this way, economic growth based on the export sector and the durable consumer (luxury) goods sector continued. At the same time, dependence and fragmentation of the national economy progressed, making self-reliant development even more difficult. This is the situation that the economists of the Third World called “dependent development,” “forced development,” “perverse development,” or “development of underdevelopment.”

What are the possible paths of development open to peripheral regions now facing a dead end. The path of capitalist development, the historical answer to the problem of accumulation, was closed to the peripheral capitalist countries. Moreover, this path of development influenced by the advanced economies differs inevitably from that of advanced economies. The *Tiers-Monde* article clarified the concept of the path of system transformation as it had not been done in the *Le développement inégal*.

The author points out that throughout history, various systems have been destroyed and overtaken not in their central areas but rather in the periphery, the weakest link in the chain.

The global economic system of capital accumulation and development has two subsystems consisting of the following four sectors: (1) export, (2) mass consumption, (3) luxury consumption, and (4) capital goods. The central independent subsystem of advanced industrial economies is a combination of the second and the fourth, and this has permitted an independent economic development complete with domestic intersectoral flow. But this global system was able to operate only by creating in the underdeveloped regions a peripheral dependent subsystem made up of items one and three. In other words, the central independent system created a mutually interdependent relationship, by economic and non-economic means, with the peripheral dependent system and developed on the basis of a cheap and plentiful supply of raw materials, at the same time using cheap labor in the peripheral regions. Central subsystems have avoided the contradictions between productive power and consumption in the regions by extending the central market into the peripheral regions.

Therefore, the path of development for the Third World must be a system transformation from the peripheral dependent, 1-3 (1-3-4 in the case of state capitalism) to a central independent system, 2-4. However, this would not be possible without the voluntary participation of the masses who merely constituted a reserve army of workers in past patterns of development; and the adoption of a system of resource

redistribution no longer based on the profitability criterion. The Third World today has to make a choice between dependent development and development based on self-decision-making, necessarily original in the history of economic development.

The author's theory is developed in the context of the Marxist doctrine of imperialism but also incorporates François Perroux's theory of domination, i.e., that a dominant economy creates its own distinctive dominated economy, the theory of the "dependencia" school that occasioned a great deal of polemic debate in Latin America throughout the 1960s, and the author's own empirical studies on the Arab and African World. Having absorbed the views of the "dependencia" school, the author incorporates the underdeveloped economies under a global doctrine of stages of development and reformulates the Marxist doctrine of such stages. He proposes a feasible theory for the Third World of transition in the form of self-reliant growth.

To be sure, the nature of tributary and other modes of production in the peripheral regions requires further study. The problem of the central independent system's high level technological influence on the development of the peripheral dependent system is yet to be solved. Moreover, if peripheral systems were to launch their development by cutting themselves away from the central system, what would happen to the development pattern of the advanced regions which had progressed by making subsystems out of other regions? This point should be examined further. Finally, the path toward egalitarian independent development in the Third World through participation of the masses needs to be spelled out in more specific terms. However, these are the points that the author himself has raised in his work, the first attempt to theorize on what is happening in a situation where voices in the Third World are calling for their economic liberation and their own way of development. These are the kinds of problems that Third World theoreticians including Amin will probably tackle in the future.

(Jun Nishikawa)